

RECORDATION NO. 25284-E

MAR 15 '07 -12 15 PM

SURFACE TRANSPORTATION BOARD

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ELIAS G. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

March 15, 2007

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Assignment and Assumption of Leases Agreement, dated March 15, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board under Recordation Number 25284.

The name and address of the party to the enclosed document are:

Assignor: Cypress Canada Management IV, Inc.
Bayside Plaza
188 The Embarcadero, Suite 420
San Francisco, CA 94105

Assignee: Southwest Rail Industries, Inc.
501 South East Street
Weimer, TX 78962

Mr. Vernon A. Williams
March 15, 2007
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A description of the railroad equipment covered by the enclosed document is:

82 railcars within the following series: DCTX 16409 – DCTX 76324; NCTX 14129 – NCTX 24418; and PLMX 25506 – PLMX 76654 as more particularly set forth in the equipment schedule attached to the document.

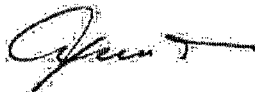
A short summary of the document to appear in the index is:

Assignment and Assumption of Leases Agreement.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/sem
Enclosures

MAR 15 '07 -12 15 PM

SURFACE TRANSPORTATION BOARD

ASSIGNMENT AND ASSUMPTION OF LEASES AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Cypress Canada Management IV, Inc., a California corporation ("Assignor"), hereby sells, assigns, transfers and sets over unto Southwest Rail Industries, Inc., a corporation organized under the laws of the State of Texas (the "Assignee"), (i) all of Assignor's right, title and interest as lessor under the leases set forth and described on Schedule B hereto (the "Leases") to the extent such Leases relate to those certain railcars described on Schedule A hereto and (ii) all assignable and subsisting warranties and indemnities, if any, given by any manufacturer, supplier or prior owner of any Car or part thereof to Assignor; *provided, however*, that the assignment evidenced hereby shall be with respect only to those rail cars described on Schedule A hereto.

Except as otherwise specifically set forth herein or in the Rail Car Purchase and Sale Agreement dated March 15, 2007 (the "Purchase Agreement"), by and between Cypress Tankcar Leasing IV, LLC, a California limited liability company ("Cypress") and Assignee, the assignment set forth herein is made without warranty or representation of any kind or type whatsoever, including with respect to the collectibility of any Leases. Assignor hereby agrees to execute such further documentation as Assignee may reasonably request in order to carry out the purpose of this Assignment.

Assignee hereby accepts the rights, and assumes the obligations, of Assignor as lessor under the Leases arising, accruing or occurring from and after the date hereof as if the Assignee had been an original party thereto. Assignor shall have no liabilities or obligations as lessor under the Leases arising, accruing or occurring from and after the date hereof. Assignor agrees to perform when due all obligations of Assignor under the Leases arising, accruing or occurring prior to the date hereof. Assignor acknowledges and agrees that from and after the date hereof Assignor shall have no further right, interest or title in or under the Leases, including any right, interest or title to any payments due under the Leases. Assignee acknowledges and agrees that Assignor has not assigned to Assignee and hereby reserves, and Assignee has not accepted any rights of Assignor to, any liability insurance payments or indemnity payments made after the date hereof but relating to acts or events prior to the date hereof or relating to Assignor's ownership of the Cars and the Leases prior to the date hereof, and the right to receive any communications under the Leases with respect to the foregoing reserved rights.

This instrument shall be governed by and construed in accordance with the laws of the State of California.

This instrument may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopy by a party of a copy of an executed counterpart hereof shall constitute execution and delivery hereof by such party.

This Assignment shall inure to the benefit of, and shall be binding upon, Assignor and Assignee and their respective successors and assigns, as permitted by the Purchase Agreement. Any amendments to this Assignment shall be made only in writing, signed by the parties hereto.

IN WITNESS WHEREOF, the undersigned, have executed this Assignment and Assumption of Leases Agreement as of the date written below.

Dated as of: March 15, 2007

ASSIGNOR:

CYPRESS CANADA MANAGEMENT IV, INC., a California corporation

By: _____

Stephen R. Harwood, President

ASSIGNEE:

SOUTHWEST RAIL INDUSTRIES, INC., a Texas corporation

By: _____

Name: _____

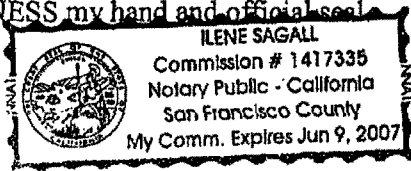
Title: _____

[Signature Page to Assignment and Assumption of Leases Agreement]

State of California }
County of San Francisco }

On March 9, 2007, before me, ILENE SAGALL, a Notary Public, personally appeared STEPHEN R. HARWOOD, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Ilene Sagall
Notary's Signature

State of _____ }
County of _____ }

On March ____, 2007, before me, _____, a Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary's Signature

IN WITNESS WHEREOF, the undersigned, have executed this Assignment and Assumption of Leases Agreement as of the date written below.

Dated as of: March 15 2007

ASSIGNOR:

ASSIGNEE:

CYPRESS CANADA MANAGEMENT IV, INC., a California corporation

SOUTHWEST RAIL INDUSTRIES, INC., a Texas corporation

By: _____
Stephen R. Harwood, President

By: Chris Garmoe
Name: Chris Garmoe
Title: President

[Signature Page to Assignment and Assumption of Leases Agreement]

State of California }
County of San Francisco }

On March _____, 2007, before me, _____, a Notary Public, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

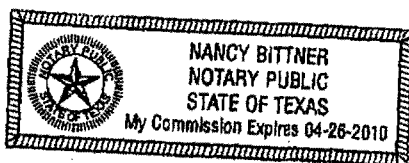
WITNESS my hand and official seal.

Notary's Signature

State of Texas }
County of Colorado }

On March 12, 2007, before me, NANCY BITTNER, a Notary Public, personally appeared CHRIS GARMOE, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Nancy Bittner
Notary's Signature

**SCHEDULE A TO
ASSIGNMENT AND ASSUMPTION OF LEASES AGREEMENT
By And Between
CYPRESS CANADA MANAGEMENT IV, INC.
And
SOUTHWEST RAIL INDUSTRIES, INC.**

Cars Purchased:

<u>COUNT</u>	<u>MARK</u>	<u>CAR NUMBER</u>	<u>AAR CODE</u>	<u>DOT CODE</u>	<u>BUILD DATE</u>
1	DCTX	23371	T105	111A100W1	4/1/1969
2	DCTX	23378	T105	111A100W1	5/1/1969
3	DCTX	23384	T105	111A100W1	5/1/1969
4	DCTX	23382	T105	111A100W1	5/1/1969
5	NCTX	24176	T105	111A100W1	3/1/1974
6	NCTX	20792	T105	111A100W1	11/1/1974
7	NCTX	20797	T105	111A100W1	11/1/1974
8	DCTX	16409	T104	111A100W3	2/1/1973
9	DCTX	16411	T104	111A100W3	2/1/1973
10	NCTX	14130	T104	111A100W3	1/1/1974
11	NCTX	14129	T104	111A100W3	1/1/1974
12	PLMX	25537	T106	111A100W3	1/1/1972
13	PLMX	25672	T106	111A100W3	5/1/1972
14	PLMX	76156	T106	111A100W3	4/1/1973
15	PLMX	76178	T106	111A100W3	5/1/1973
16	PLMX	76223	T106	111A100W3	6/1/1973
17	PLMX	76276	T106	111A100W3	8/1/1973
18	PLMX	76335	T106	111A100W3	9/1/1973
19	PLMX	76372	T106	111A100W3	1/1/1974
20	NCTX	24408	T106	111A100W1	2/1/1974
21	NCTX	24409	T106	111A100W1	2/1/1974
22	NCTX	24418	T106	111A100W1	5/1/1974
23	PLMX	76585	T106	111A100W3	3/1/1975
24	DCTX	26023	T106	111A100W3	2/1/1969
25	DCTX	26039	T106	111A100W3	4/1/1969
26	PLMX	25506	T106	111A100W3	3/1/1971
27	DCTX	25533	T106	111A100W3	1/1/1972
28	DCTX	25535	T106	111A100W3	2/1/1972
29	DCTX	76059	T106	111A100W3	11/1/1972
30	NCTX	76070	T106	111A100W1	11/1/1972

31	DCTX	76063	T106	111A100W3	11/1/1972
32	DCTX	76079	T106	111A100W3	12/1/1972
33	DCTX	76082	T106	111A100W3	12/1/1972
34	DCTX	76246	T106	111A100W3	7/1/1973
35	NCTX	24403	T106	111A60W1	8/1/1973
36	NCTX	24404	T106	111A60W1	8/1/1973
37	NCTX	24420	T106	111A100W3	10/1/1973
38	NCTX	24407	T106	111A100W1	2/1/1974
39	NCTX	24410	T106	111A100W1	3/1/1974
40	NCTX	24411	T106	111A100W1	3/1/1974
41	NCTX	29668	T108	111A100W1	2/1/1975
42	PLMX	76066	T106	111A100W3	11/1/1972
43	CITX	25448	T106	111A100W1	4/1/1969
44	DCTX	23976	T105	111A100W1	6/1/1973
45	NCTX	20727	T105	111A100W1	5/1/1974
46	CITX	72329	T105	111A100W3	1/1/1978
47	DCTX	72443	T105	111A100W3	10/1/1978
48	DCTX	25534	T106	111A100W3	2/1/1972
49	DCTX	23374	T105	111A100W1	4/1/1969
50	NCTX	20793	T105	111A100W1	11/1/1974
51	PLMX	76080	T106	111A100W3	12/1/1972
52	PLMX	76170	T106	111A100W3	5/1/1973
53	CITX	23599	T105	111A100W1	3/1/1970
54	NCTX	23082	T105	111A100W1	10/1/1973
55	NCTX	24175	T105	111A100W1	3/1/1974
56	NCTX	24198	T105	111A100W1	4/1/1974
57	NCTX	24199	T105	111A100W1	4/1/1974
58	NCTX	72871	T105	111A100W3	2/1/1981
59	DCTX	29872	T108	111A100W1	3/1/1972
60	DCTX	29625	T108	111A100W1	10/1/1973
61	NCTX	23063	T105	111A100W1	9/1/1973
62	NCTX	23060	T105	111A100W1	9/1/1973
63	NCTX	23075	T105	111A100W1	10/1/1973
64	NCTX	23064	T105	111A100W1	10/1/1973
65	NCTX	23065	T105	111A100W1	10/1/1973
66	NCTX	23077	T105	111A100W1	10/1/1973
67	NCTX	23078	T105	111A100W1	10/1/1973
68	NCTX	23068	T105	111A100W1	10/1/1973
69	NCTX	23076	T105	111A100W1	10/1/1973
70	NCTX	23074	T105	111A100W1	10/1/1973
71	NCTX	16616	T104	111A100W3	3/1/1976

72	NCTX	16617	T104	111A100W3	3/1/1976
73	NCTX	22563	T105	111A60W1	9/1/1972
74	NCTX	20874	T105	111A60W1	1/1/1974
75	NCTX	20842	T105	111A60W1	5/1/1974
76	NCTX	23062	T105	111A100W1	9/1/1973
77	NCTX	24179	T105	111A100W1	3/1/1974
78	NCTX	24178	T105	111A100W1	3/1/1974
79	DCTX	76324	T106	111A100W3	9/1/1973
80	PLMX	76654	T106	111A100W3	6/1/1975
81	DCTX	72442	T105	111A100W3	10/1/1978
82	NCTX	23080	T105	111A100W1	10/1/1973

SCHEDULE B
(List of Leases) to
ASSIGNMENT AND ASSUMPTION OF LEASES
By And Between
CYPRESS CANADA MANAGEMENT IV, INC.
And
SOUTHWEST RAIL INDUSTRIES, INC.

Cars To Be Purchased:

<u>COUNT</u>	<u>MARK</u>	<u>CAR NUMBER</u>	<u>LESSEE</u>	<u>CONTRACT NUMBER</u>	<u>ASSIGN END DATE</u>
1	DCTX	23371	AGRIUM	364-0970303-002	9/30/2011
2	DCTX	23378	AGRIUM	364-0970303-002	9/30/2011
3	DCTX	23384	AGRIUM	364-0970303-002	9/30/2011
4	DCTX	23382	AGRIUM	364-0970303-002	9/30/2011
5	NCTX	24176	AGRIUM	364-0970303-002	9/30/2011
6	NCTX	20792	AGRIUM	364-0970303-002	9/30/2011
7	NCTX	20797	AGRIUM	364-0970303-002	9/30/2011
8	DCTX	16409	CANEXUS CHEMICAL CANADA	964-0982302-001	12/31/2011
9	DCTX	16411	CANEXUS CHEMICAL CANADA	964-0982302-001	12/31/2011
10	NCTX	14130	CANEXUS CHEMICAL CANADA	964-0982302-001	12/31/2011
11	NCTX	14129	CANEXUS CHEMICAL CANADA	964-0982302-001	12/31/2011
12	PLMX	25537	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
13	PLMX	25672	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
14	PLMX	76156	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
15	PLMX	76178	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
16	PLMX	76223	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
17	PLMX	76276	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
18	PLMX	76335	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
19	PLMX	76372	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
20	NCTX	24408	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
21	NCTX	24409	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
22	NCTX	24418	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
23	PLMX	76585	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
24	DCTX	26023	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
25	DCTX	26039	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
26	PLMX	25506	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
27	DCTX	25533	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
28	DCTX	25535	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011

Cars To Be Purchased:

<u>COUNT</u>	<u>MARK</u>	<u>CAR NUMBER</u>	<u>LESSEE</u>	<u>CONTRACT NUMBER</u>	<u>ASSIGN END DATE</u>
29	DCTX	76059	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
30	NCTX	76070	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
31	DCTX	76063	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
32	DCTX	76079	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
33	DCTX	76082	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
34	DCTX	76246	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
35	NCTX	24403	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
36	NCTX	24404	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
37	NCTX	24420	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
38	NCTX	24407	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
39	NCTX	24410	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
40	NCTX	24411	CENTENNIAL GAS LIQUIDS	044-0978102-001	1/31/2011
41	NCTX	29668	CONOCOPHILLIPS EXXONMOBIL GLOBAL	044-0715305-010	10/31/2011
42	PLMX	76066	SERVICES	044-0985901-002	1/31/2007
43	CITX	25448	FEDERATED CO-OPERATIVES	044-0997102-001	12/31/2009
44	DCTX	23976	FEDERATED CO-OPERATIVES	964-0980401-002	12/31/2009
45	NCTX	20727	FEDERATED CO-OPERATIVES	964-0980401-002	12/31/2009
46	CITX	72329	FEDERATED CO-OPERATIVES	964-0980401-009	5/31/2009
47	DCTX	72443	FEDERATED CO-OPERATIVES	964-0980401-009	5/31/2009
48	DCTX	25534	FEDERATED CO-OPERATIVES	964-0980401-011	2/28/2010
49	DCTX	23374	FEDERATED CO-OPERATIVES	964-0980401-012	6/30/2010
50	NCTX	20793	FEDERATED CO-OPERATIVES	964-0980401-012	6/30/2010
51	PLMX	76080	HONEYWELL INTERNATIONAL	044-0988802-002	3/31/2014 ¹
52	PLMX	76170	HONEYWELL INTERNATIONAL	044-0988802-002	3/31/2014 ²
53	CITX	23599	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
54	NCTX	23082	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
55	NCTX	24175	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
56	NCTX	24198	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
57	NCTX	24199	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009

¹ This expiration date is based on the report provided to Seller by CIT. ¶5 of Schedule 02 states that the expiration date is the earlier of 5/31/13 or the AAR service life expiration date on Schedule B to Schedule 02, which is stated to be 12/31/12 for this Car.

² This expiration date is based on the report provided to Seller by CIT. ¶5 of Schedule 02 states that the expiration date is the earlier of 5/31/13 or the AAR service life expiration date on Schedule B to Schedule 02, which is stated to be 5/31/13 for this Car.

Cars To Be Purchased:

<u>COUNT</u>	<u>MARK</u>	<u>CAR NUMBER</u>	<u>LESSEE</u>	<u>CONTRACT NUMBER</u>	<u>ASSIGN END DATE</u>
58	NCTX	72871	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
59	DCTX	29872	PETRESA CANADA	040-0997501-105	3/31/2007
60	DCTX	29625	PETRESA CANADA	040-0997501-105	3/31/2007
61	NCTX	23063	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
62	NCTX	23060	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
63	NCTX	23075	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
64	NCTX	23064	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
65	NCTX	23065	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
66	NCTX	23077	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
67	NCTX	23078	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
68	NCTX	23068	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
69	NCTX	23076	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
70	NCTX	23074	SOUTHWEST RAIL INDUSTRIES	044-0984101-007	5/31/2008
71	NCTX	16616	THATCHER COMPANY	044-0985001-001	6/30/2008
72	NCTX	16617	THATCHER COMPANY	044-0985001-001	6/30/2008
73	NCTX	22563	TIGER CALCIUM SERVICES	964-0985101-010	4/30/2007
74	NCTX	20874	TIGER CALCIUM SERVICES	964-0985101-010	4/30/2007
75	NCTX	20842	TIGER CALCIUM SERVICES	964-0985101-010	4/30/2007
76	NCTX	23062	TIGER CALCIUM SERVICES	964-0985102-001	8/31/2011 ³
77	NCTX	24179	TIGER CALCIUM SERVICES	964-0985102-001	8/31/2011
78	NCTX	24178	TIGER CALCIUM SERVICES	964-0985102-001	8/31/2011
79	DCTX	76324	VERCO INTERNATIONAL	364-0981201-001	3/31/2008
80	PLMX	76654	CENTENNIAL GAS LIQUIDS	044-0978101-003	6/30/2008
81	DCTX	72442	NUTRA-FLO CHEMICAL	044-0982601-007	8/31/2009
82	NCTX	23080	TIGER CALCIUM SERVICES	964-0985102-001	8/31/2011

³ This expiration date is based on the report provided to Seller by CIT. Paragraph 5 of Schedule 01 states that the expiration date is 60 months from the average delivery date of all Cars on this Schedule.